

Human Resources Management

List of Attachments

HR-A	Classification/Compensation Studies brochure (Question 5a)
HR-B	Guide for Subject Matter Experts (Question 7a)
HR-C	Reuse of Test Scores (Question 7f)
HR-D	Notice to Applicants - Reuse Your Previous Test Score (Question 7f)
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HR-H	Supervisor's Guide - Performance Appraisal (Question 9a)
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HR-BB	City of Phoenix Organizational Chart - Key Management Areas (Additional information requested)
HR-BC	City of Phoenix Organizational Structure (Additional information requested)
HR-BD	Human Resources Policies (Classification, Hiring, Discipline and Termination, Performance Appraisal, and Grievance) (Additional information requested)
HR-BE	City of Phoenix Charter - Chapter XXV (local law governing civil service system) (Additional information requested)
HR-BF	Citywide training and development policy (Additional information requested)
HR-BG	Classification and Compensation Schedule (Additional information requested)
HR-BH	Internal Customer Survey (evaluation of how the City carries out its human resources management) - see HR - AY (Additional information requested)
HR-BI	Personnel Organizational Chart (Additional information requested)
HR-BJ	Personnel Annual Report (1996-97) (Additional information requested)
HR-BK	Web sites with human resource policies (Additional information requested)

Please answer the following questions about Human Resources Management in Phoenix.

1. What is the total number of people employed by Phoenix?

There are currently 14,511 individuals employed by the City of Phoenix. This includes all active regular-full-time, temporary-full-time, temporary-part-time, and active seasonal employees.

2. What is the average age of Phoenix's workforce?

The average age is 40.7 years.

3. How many of Phoenix's employees are classified? Provisional?

FISCAL YEAR	CLASSIFIED	PROVISIONAL (TEMPORARY)
1999	12,005	2,506
1998	11,977	2,326
1997	11,845	2,145

4. How many employees left Phoenix's government workforce in each of the past three years (excluding school employees)?

YEAR	VOLUNTARILY (NOT BY RETIREMENT)	INVOLUNTARILY	BY RETIREMENT
1998	775	121	300
1997	588	96	301
1996	611	104	277

5. Please describe the personnel classification system in Phoenix. For example, discuss the following:

- a. How centralized is the classification system within Phoenix? Does a single classification system apply throughout Phoenix government?

The City of Phoenix classification system is founded on a broad classification concept using a comprehensive point-factor job evaluation system with career ladder and career bridge classifications. Any of the following may request analysis of classification and/or compensation issues:

- City Manager
- Personnel Director
- Department Head
- Employee Union

Classification and compensation analysis uses employee input, supervisory input, and Department Head input. The system also is under continuous maintenance. Vacant positions may be reallocated from one level to another level immediately upon request of the department. All classifications have been reviewed with employee and supervisor input for purposes of essential functions and ADA compliance (Attachment HR – A).

- b. Please explain the extent of discretion and authority agency managers have over classifications within their agencies.

Departments are responsible for maintaining job descriptions and participating in the process review for any classification changes within their department.

During the classification process, the Personnel Department, the operating department head, and the Personnel Committee review all classifications. The Personnel Committee consists of the Personnel Director, a representative from the City Manager's Office, and a department head (which is a rotating position).

- c. Does Phoenix use broadbanding? If so, please explain this system.

Phoenix uses a system of broad-based classifications and has extensively broadbanded its Executive and Middle Manager positions. The broadbanded Executive and Middle Manager system is designed with ranges that are approximately 85% wide with no defined step within the range. All movement within the broadband range is established by the meeting of pre-set objectives.

Although not a pure broadband system for other employees, the average range within the broad range is 40%.

- d. What kinds of challenges or problems, if any, is Phoenix experiencing because of the structure of Phoenix's classification system?

Adjusting to labor market conditions is a challenge that requires flexibility within our classification system. We use immediate reclassification of vacant positions to higher levels. We also provide greater flexibility in starting salary by using the full salary range, up to the maximum salary level.

- e. Please identify any changes or new approaches to position classification that Phoenix has recently undertaken. When was Phoenix's classification system last updated?

The City of Phoenix classification system is updated on a continuous basis. New approaches to the classification system include:

- Use of multitasked/multiskilled classifications
- Broadening of classifications and pay grades
- Hiring at any position in the pay grade based on market analysis conditions
- Ability to give up to 10% above pay grade for Information Technology positions
- Use of lump sum bonus systems for outstanding performance of certain employees at the top of the pay grade

6. Please describe how recruiting is conducted in Phoenix. For example, discuss the following:

- a. How centralized is recruiting within Phoenix? Does a single recruiting system apply throughout Phoenix's government?

The Personnel Department coordinates recruitments for City positions. The process for recruiting is a partnership between the hiring authority (the operating department) and the Personnel Department. The Personnel Department also works with the operating department on outreach efforts, such as job fairs, special advertising, etc. Personnel analysts are assigned to individual departments to improve service and foster better working relationships.

- b. Please explain the extent of discretion and authority agency managers have over recruiting to fill positions within their agencies.

Recruiting is a cooperative effort between the operating department and the Personnel Department, where mutual decisions are made regarding when to open recruitments, the scope of the recruitment, and other recruitment activities. Each spring, the Personnel Department meets with each operating department to plan the next year's recruitment schedule. This "forecasting" process has proved to be effective in anticipating department needs for the coming year. We also partner with the operating departments to monitor the creation of new positions in the budget process and collect information on anticipated retirements and vacancies.

- c. What kinds of challenges or problems, if any, is Phoenix experiencing because of the structure of Phoenix's recruiting system?

While we have great success in our cooperative recruiting efforts, the current economic boom poses a challenge to the City. With the unemployment rate at approximately 3%, we must now be more proactive and aggressive in our recruitment efforts. Using Information Technology positions as an example, we have moved to accepting and scoring resumes without the formal application materials in an effort to make the application process as easy as possible. In 1997, we issued a Request For Qualifications for Technical Recruitment Services and began using professional recruitment firms for specific information technology areas: database administration, UNIX system administration, and SAP technical specialists. The Information Technology Department was a pilot department for use of recruiters for information technology personnel.

- d. Please identify any changes or new approaches to recruiting that Phoenix has recently undertaken.

In general, we have moved away from traditional government recruiting to a more active market campaign. This campaign includes more recruitment on-line through the Internet. All positions are posted on the Internet and our application materials may be downloaded. Between 5-7% of our applicants hear about vacancies via the Internet.

The recruitment process for all information technology classifications has been streamlined to be more comparable to the private sector job application process and senior-level information technology positions are now under continuous recruitment. Particular emphasis has been placed on Phoenix's Internet site that highlights recruitment efforts for specific senior-level information technology specialist classifications.

In a partnership with the Police Department, we conducted an Open House for potential Police Communications Operators (dispatchers) to tour the Communications Bureau. Potential operators could experience the work environment to obtain a better sense of what the dispatching jobs are like. Because of an immediate need to fill the positions, the recruitment process was intensive and expedient. During the Open House, we distributed applications and registered applicants for test dates. We processed approximately 450 individuals through the Open House, which was held on a Saturday to attract as many potential candidates as possible. We followed the Open House with a series of "One-Stop Shop" testing and interview dates.

The “One-Stop Shop” combines written and typing tests, interviews, and simulator testing for the convenience of the applicant. After successful completion of the testing and interviews, applicants are certified to the list and receive a tentative job offer, dependent on the background check.

Another strategy involves theme-oriented advertisements. A recent example is the Police Information Technology recruitment. Before the recruitment, we teamed with the Police Department to identify traits and attitudes of successful employees in the position and used those to attract similarly motivated people. A “sense of community” was identified as a key trait and was used successfully as the theme of the recruitment.

Another way we are changing our approach to recruiting is to make the application process as easy as possible. Some examples of this effort are: using a single application for several jobs, cluster testing, and test reuse. We also use job rotations as a method to tap internal potential to temporarily fill vacancies while providing varied experiences for the employee.

7. Please describe how testing is conducted in Phoenix. For example, discuss the following:

- a. How centralized is testing within Phoenix?

Test development and administration is a joint process with the Personnel Department and the operating department. Subject Matter Experts (SMEs) in the operating department work with test analysts in the Personnel Department to create appropriate and valid test instruments. The Personnel Department handles test administration for smaller departments, while larger departments partner with the Personnel Department for their test administration. Selection interviews are done at the operating department level with the assistance of the Personnel Department as requested (Attachment HR – B).

- b. Please identify the testing and selection methods Phoenix uses (for example, written, oral, or computerized testing, skills inventories, assessment centers, etc.). To what extent are these testing and selection methods standardized across all agencies in Phoenix?

The City uses a full range of testing types, including: written examinations, training and experience evaluations, equipment demonstration tests, in-basket exercises, assessment centers, and oral boards (for Public Safety positions). Testing and selection methods are not standardized; they are chosen based upon the job analysis.

- c. Please explain the extent of discretion and authority agency managers have over testing for positions within their agencies.

As indicated earlier, department managers/supervisors partner with Personnel at every step of the recruiting and testing process. The departments supply “subject matter experts” who review and help develop test materials. They also assist with appealed questions. The operating departments work closely with the Personnel Department in the administration and evaluation of demonstration examinations.

Employees and supervisors in operating departments participate in task analyses to provide information about the job for use in determining tests and test methods. Task analyses are done for recruitments at least every three years.

- d. Can prospective employees apply for jobs in Phoenix on-line?

At the current time, application materials may be downloaded from the Internet. We are working to create a secure website where interested persons could complete and submit applications on-line.

- e. What kinds of challenges or problems, if any, is Phoenix experiencing because of the structure of Phoenix's testing system?

The increasing number of software packages and technological advances in the workplace creates a challenge for our testing system. Keeping up with the newest versions of everything from computer software to high-maintenance machinery means the Personnel Department needs to frequently upgrade and/or change testing equipment. We are addressing the software challenges in our computer labs by purchasing a software package that will allow us to test on several different programs. The use of this software will also allow us to provide more walk-in testing.

- f. Please identify any changes or new approaches to testing that Phoenix has recently undertaken.

As mentioned in 6(d), Phoenix strives to make the application process as simple as possible for the prospective employee. One way to do this is through "cluster" testing (using the same test for multiple classifications). We are increasing the use of these tests where possible. We are also developing a clerical/support test that would allow an applicant to take one test for posting to any of 28 different lists. The question blocks will be weighted and scored differently for each classification. This is beneficial to the applicant and the City not only for simplicity in the application process, but also in opening avenues that may not have been previously considered by the applicant (i.e., the applicants might not have thought they have the skills for a particular classification, when, in fact, the test results show that they do).

We have also broadened our procedure to allow candidates to reuse written scores and retake typing test scores at their convenience. Additionally, we allow reuse of previous scores for certain recruitment processes (Attachments HR – C and HR - D).

Another "customer friendly" improvement to our testing process is combining the test notice and application for certain positions. This combination allows applicants to return their application when they come in to test on the predetermined test date. This is especially useful for people downloading information from the Internet, because they do not have to come to City Hall until the test date.

8. Please describe the hiring process in Phoenix. For example, discuss the following:

- a. How centralized is hiring within Phoenix? Does a single hiring system apply throughout Phoenix's government?

The final selection of individuals is the responsibility of the operating department. Once the individual is posted to an eligible list, the operating department has full authority to select from the list. The Personnel Department does offer consulting assistance, such as writing interview questions, serving on interview panels, recommending who should serve on an interview panel, and selecting candidates to be interviewed (Attachment HR – E).

- b. Please explain whether, why, and how Phoenix uses certified or limited certified lists. From which candidates on the list may the hiring authority select? If Phoenix uses some other system, please describe it.

For most positions, we use "full-list certification." Once the operating department and the Personnel Department decide on the appropriate testing and scoring for a particular position, all applicants who pass the test are posted to the eligible list. At that point, the entire list is available for the operating department's final hiring decision. Full-list certification empowers the operating department to select from a group of qualified applicants based on their specific needs.

Another option the operating department has is “selective certification.” The operating department identifies job specific skills and experience they are looking for and the Personnel Department screens applications and submits a smaller list of candidates.

- c. How long does the hiring process take (i.e., on average, how many days pass between the time the City decides a position should be filled to the time the person is employed)?

As noted in 6(b), we have an annual forecasting process that provides us with a better understanding of what our hiring needs will be in the upcoming year. Positions included in the forecasting plans and positions with a high turnover rate are filled faster because of these proactive measures. Our goal is to have eligible lists in place for approximately 85-90% of all vacancies. These positions, because they have an eligible list established, take approximately 2 – 3 weeks to fill. The eligible list is sent to the operating department within 24 hours of the request and the operating department begins the interview process, according to their schedule.

“Nonforecasted” recruitments or positions with unanticipated turnovers take longer to fill. Once the operating department decides the position needs to be filled, it may take up to 40 workdays to fill. This time period includes developing testing needs, advertising, testing, reviewing, creating an eligible list, and interviewing.

- d. Please explain the extent of discretion and authority agency managers have over hiring to fill positions within their agencies.

Department managers have full hiring authority within their department.

- e. What kinds of challenges or problems, if any, is Phoenix experiencing because of the structure of Phoenix’s hiring system?

The decentralized nature of our hiring system is a potential problem for managers/supervisors not skilled or knowledgeable about quality personnel selection processes. We work with our managers/supervisors to provide as much information as possible to ensure that they make well-informed decisions about future employees. This information is available in several formats. As mentioned in question 13(a), a series of supervisory classes is required for all new supervisors within the first year of becoming a supervisor. These classes cover hiring new employees. Another source of information is through Personnel Department consultation. The Personnel Department is available to all managers/supervisors for advice during the hiring process (Attachment HR – F).

- f. Please identify any changes or new approaches to hiring that Phoenix has recently undertaken.

In order to fill “hard-to-recruit” positions, the City has taken many steps, most of which are described elsewhere in this document. These steps include:

- Using trainee classifications
- Hiring above the minimum starting salary
- Offering relocation expenses
- Providing premium pay for special skills
- Offering extensive internal staff development through training, rotations, and underfilling of positions

Continuing our effort to make getting a job with Phoenix a positive experience, we have developed “study guides” for certain positions. One example is for firefighters. This guide tells the prospective applicant about what to expect from the entire process. This aids the applicant in determining when and if they are ready to go through the selection process. In addition, it “levels the playing field” for all applicants (Attachment HR – G).

9. Please describe the performance appraisal procedures Phoenix uses. For example, discuss the following:

- a. How centralized are methods of performance appraisal within Phoenix with respect to both development of appraisal methods and administration of the system? Does a single performance appraisal system apply throughout Phoenix government?

The City uses two types of performance appraisals. Approximately 97% of City of Phoenix employees are evaluated on the Performance Management Guide (PMG). The remaining employees, consisting of managers and executives, are evaluated on an individualized Performance Achievement Plan (PAP).

For nonmanagers, the City is in the process of transitioning from a report-card type of evaluation to the Performance Management Guide, which is more quality-based and evaluates on the basis of expectations met or not met. The City’s Vision and Values are incorporated into the PMG and departments have identified specific expectations to support the Visions and Values.

Determining expectations to include in the Performance Management Guide is a mutual decision between the employee and his/her supervisor. The discussion process is the means for both the employee and supervisor to express – to each other – their expectations for job performance and goals.

Performance management training is required for newly hired supervisors or those recently promoted into supervisory positions. This training is part of the Supervisory Core Curriculum (Attachment HR – H).

In all the training sessions, it is emphasized that the purpose of performance management is communication. It is an avenue whereby supervisors and employees can establish clear, measurable goals and objectives, and progression toward those goals and objectives can be monitored for success. The Supervisory Core Curriculum training classes reinforce this with an Interaction Management class where supervisors practice feedback performance discussion sessions (Attachment HR – I).

Training is also provided to employees. Employees can attend “The Employee Side of Performance Management” to learn about the appraisal form, process steps, and their role in the performance management process.

Reviewers (typically second-line supervisors and managers) can attend “Performance Management and the Role of the Reviewer.” This workshop identifies the pitfalls of performance evaluations and emphasizes the involvement of managers to ensure consistency and fairness.

The Performance Appraisal Plan (PAP) for managers and executives is based upon management by objectives and is a pay-for-performance plan. The overall evaluation is based upon the achievement of a detailed plan of qualitative goals and objectives identified at the beginning of the fiscal year, coupled with performance evaluation by department heads for managers and the Deputy City Managers and the City Manager for executives.

While not formally outlined, the interaction between these two tools for performance appraisal also act as the means for disseminating citywide objectives to all employees. The City Manager provides citywide objectives for executives and middle managers, who then include it for their staff, and so on, cascading down the line to all City employees.

- b. How frequently are employees provided feedback on their performance?

Employees hired or promoted serve a one-year probation period. During this probationary time, employees receive three performance evaluations—at three months, six months, and 12 months. Once employees complete probation, they are formally evaluated yearly. Supervisors are encouraged to provide ongoing feedback throughout the rating period. Because of ongoing feedback given during the rating period, employees are aware of the organization's expectations. An employee's performance deficiencies are quickly identified and new goals are set for improvement.

- c. Please explain the extent of discretion and authority agency managers have over the methods used to assess the performance of employees within their agencies.

The rating form used for Performance Management Guide (PMG) evaluations is a standard form; however, it was created in such a way that customization is possible. The form is left "open" to allow employees and supervisors flexibility in creating goals and duties. Supervisors and managers provide ongoing feedback, mentoring, coaching, and reviews, and have complete discretion and authority over performance management decisions and methods used for performance assessment. The City encourages the use of customer input, peer evaluation, 360-degree feedback, surveys, and other methods for objectively evaluating performance.

- d. Are newly hired personnel subject to a probationary period? If so, how long is it? How are employees evaluated during this period? On average, what percentage of employees are terminated during this period?

Newly hired employees complete a one-year probation period, with evaluations at the three-month, six-month, and 12-month period.

During the first week of employment, supervisors meet with employees to discuss goals and duties for inclusion in their PMG. The PMG details the expected goals and duties with breakdowns for the three-month, six-month and 12-month period.

At the end of three months, a meeting is held to determine progress and reaffirm goals and duties for the rest of the probation period.

At the end of six months, a discussion is held to determine progress, reaffirm existing goals and duties and establish any new goals for the rest of the probation period.

At the end of 12 months, a discussion is held to determine progress, reaffirm progress on duties, determine if permanent status should be granted, and establish goals for the next 12 months. Depending on the step at which an employee entered employment, an increase salary step may or may not be tied with this evaluation.

An average of 5% of employees are terminated during the probationary period.

- e. What kinds of challenges or problems, if any, is Phoenix experiencing because of the structure of Phoenix's performance appraisal system?

As noted below, the current system is a result of an employee survey in which employees expressed their desire to move from a "grading" system to a system geared more toward ongoing feedback and mutual goal setting. Because of this, we developed a process that outlined more specific goals with "expectations met" or "expectations not met" as the evaluation criteria.

Because the PMG has a limited evaluation range of "expectations met" and "expectations not met," employees who are motivated by the report card number or letter evaluations may not feel they are rewarded for their high performance. To overcome this challenge, two components have been added to the training for supervisors which stress:

How to Reward Top Performers - A 3 ½-hour module in the Supervisory Academy providing examples of how to reward performance in the workplace. The City uses Bob Nelson's 1001 Ways to Reward Employees and 1001 Ways to Energize Employees to provide examples. City of Phoenix programs are highlighted in both of these books. (Further discussion of reward programs is included in question 14 – including City Manager's Excellence Awards and Departmental award/recognition programs.)

How to Write Meaningful Comments – A component added to the supervisory training to give supervisors hands-on experience and critiques of their supervisory comments.

Although no performance management system is ideal, we have used employee and supervisory input to develop a flexible system that minimizes structure while allowing for meaningful feedback. The goal of our performance management system is to keep the communication system open and positive.

- f. Please identify any changes or new approaches to the performance appraisal process that Phoenix has recently undertaken.

The City of Phoenix changed from a six-point "report card" evaluation format in 1996 as a result of the Employee Opinion Survey. Citywide, 50% of employees were dissatisfied with the previous evaluation system. Focus groups involving employees and supervisors throughout the City were conducted to identify opportunities for improvement. The following issues were identified:

Employees did not feel involved in the performance management process. As a result, supervisors and employees are now notified six weeks before the due date and employees are encouraged to prepare for the discussion with their supervisor. The performance management class for employees helps employees identify accomplishments, document their quality of work, and write appropriate employee comments. In addition, a PMG telephone hotline was established to help employees, supervisors, and reviewers get quick answers to questions.

Confusion existed about how to evaluate performance on a six-point scale. It was difficult to assign a numeric value to factors such as attendance and safety, and consistency across the City was an issue. The system has been changed to "expectations met" or "not met," which encourages supervisors to identify goals and duties. Training in performance management gives supervisors specific suggestions to help them provide direction and opportunities for employee development. Instead of spending time "evaluating" performance on a six-point scale, supervisors now devote time to identifying the employee's performance strengths and areas for further development.

During the transition to the new system, a survey to determine satisfaction levels is completed by both the supervisor and the employee. This feedback indicates that discussions between the employee and supervisor tend to be more constructive as a result of the change (Attachment HR – J).

10. Please describe the grievance procedures in place in Phoenix. For example, discuss the following:

The City of Phoenix's grievance system consists of two processes. Employees may file a grievance through the Memorandum of Understanding (MOU) Grievance Process or the Administrative Grievance Process. The MOU Grievance Process applies to an alleged violation of the terms and conditions of the contract for the grievant's unit. The Administrative Grievance Process addresses employees' concerns regarding unfair treatment, written reprimands, or other issues not covered by another appeal process. Both processes contain a preliminary step that requires employees to informally meet with their immediate supervisors in an attempt to resolve their issues. If the issue is not resolved to the employee's satisfaction, the employee may submit the first-step written grievance. After receiving a written response, the employee may choose to submit the second-step grievance to department management. After receiving management's response, the employee may choose to submit the third-step grievance to the department head. The next appeal step is the 3.5 step. This step provides an opportunity for the Labor Relations Administrator to serve as a mediator between department management, the employee's representative, and the employee. The fourth, and final step, consists of a grievance committee hearing, or in the case of an MOU grievance, either an MOU grievance committee or non-binding arbitration (Attachment HR – K).

- a. How centralized are grievance procedures within Phoenix? Does a single grievance system apply throughout Phoenix government?

As described above, the two processes for employees to file formal grievances are decentralized in steps 1 – 3, with step 3.5 mediated through Labor Relations, and step 4 including representatives for the employee, a representative from the City Manager's Office, and Labor Relations. The system emphasizes cooperation between the employee and management, as well as the partnership between employees, management, and Labor Relations in addressing issues and concerns.

- b. On average, how long does it take to resolve a grievance once it has been formally filed?

The grievance system is structured so that employees and management can resolve issues quickly and at the lowest possible level. This system eliminates unnecessary escalation. Since most grievances are resolved at the first steps and Labor Relations provides mediation services at the 3.5 step, few grievances are appealed to the Grievance Committee. If an employee chooses to appeal a grievance through the entire process, the timeframe could be 3 ½ to four months. This timeframe is based on a 15-calendar day initiation of the grievance with a 10-calendar day period for each response and appeal.

- c. Approximately how many grievances were filed against Phoenix over the past three years (within civil service policy and within labor union contracts)?

Since July 1996, 420 grievances were filed. Of those, 274 were settled at steps 1 through 3 of the process; 86 at the 3.5 stage; and 60 went to a Grievance Committee or arbitration hearing.

- d. What kinds of challenges or problems, if any, is Phoenix experiencing because of the structure of Phoenix's grievance system?

Our challenges are typical of any grievance system. Overall, the system is effective in enforcing and resolving problems in the workforce.

- e. Please identify any changes or new approaches to handling grievances that Phoenix has recently undertaken.

The 3.5 grievance step was initiated to allow for mediation to be a part of the process. At this step, Labor Relations staff attempts to bring the grievant, the employee's representative, and department management into agreement and resolve the grievance through mediation.

11. Please describe the disciplinary system Phoenix uses. For example, discuss the following:

The City of Phoenix has a disciplinary system that consists of a positive approach to addressing employee behavior. The system consists of progressive discipline in the form of a written reprimand, minor suspension, major suspension, demotion, and termination.

The City emphasizes to supervisors that before to using any level of discipline, they should coach and counsel their employees. During coaching, supervisors inform employees that the behavior is unacceptable and will result in discipline if not corrected. If coaching is not successful, the supervisor issues a memo, known as supervisory counseling, to the employee. In the supervisory counseling, the supervisor identifies the behavior requiring improvement, the reason for the improvement, and the consequences of continuing the unacceptable behavior (Attachment HR – L).

- a. How centralized are disciplinary systems within Phoenix? Does a single disciplinary system apply throughout Phoenix government? Please describe the system(s) in place.

The City of Phoenix uses a single disciplinary system but decision making is decentralized. Departments are responsible for setting clear expectations and coaching employees. Written reprimands are generally initiated at the supervisory level and approved by a second level supervisor or division head. Suspensions, demotions and dismissals are initiated by operating department management and reviewed with the Personnel and Law departments.

- b. Please explain the extent of discretion and authority agency managers have over the methods used to discipline employees within their agencies.

Departments are responsible for coaching, counseling, and disciplining their employees. Formal discipline (suspensions, demotions, dismissals) requires consultation with the Personnel Department and Law Department. Disagreements over level or severity of discipline are generally resolved through a mutual decision-making process.

- c. What kinds of challenges or problems, if any, is Phoenix experiencing because of the structure of Phoenix's disciplinary system?

As with any disciplinary system, finding ways to discipline employees in a positive way is a challenge. We want to discourage unacceptable behavior without "punishing" the employee. We approach this through training and the performance management system. Both approaches emphasize the importance of communicating expectations and acknowledging unacceptable behavior before it becomes habitual.

- d. Please identify any changes or new approaches to disciplinary procedures that Phoenix has recently undertaken.

The Police Department has developed and implemented a positive discipline process in which the employee and the department jointly determine alternative or appropriate levels of discipline.

The Police Department also has implemented a Disciplinary Review Board that reviews serious

infractions and identifies appropriate levels of discipline.

In addition, the City of Phoenix offers rehabilitation to employees who test positive for drugs rather than implementing immediate dismissal. This has resulted in a 74% success rate for rehabilitation and retention.

12. Please describe termination practices in Phoenix. For example, discuss the following:

The termination practices for the City of Phoenix include training for supervisors and management in following progressive discipline so that termination for just cause is the final step, used only when the employee does not stop the inappropriate behaviors or actions.

The City also provides the employee with an opportunity to present to management any information that would persuade the City not to terminate. Although this opportunity, a pre-termination meeting, is required for tenured employees, the City also provides the same opportunities for part-time and nontenured employees. The employee is allowed to have representation at this meeting.

Again, before termination, the operating departments consult with the Law and Personnel departments before making a decision.

An appeal process is available for employees who dispute their terminations. Tenured employees may appeal their termination to the Civil Service Board.

- a. How centralized are termination practices and processes within Phoenix? Does a single set of termination practices and processes apply throughout Phoenix government?

The City's policy is to terminate only for just cause. Supervisory training is used to help maintain a level of consistency and instill progressive disciplinary practices. Involvement of the Law Department and Personnel with the operating department in a cooperative decision-making process ensures fair treatment for all employees.

- b. Please explain the extent of discretion and authority agency managers have to terminate employees within their agencies.

Department heads have authority to terminate employees for just cause. The City also uses a 12-month probationary period to monitor the progress of an employee. The probationary period provides supervisors with a formal tool for providing feedback to the employee and communicating expectations.

- c. Typically, how much time does it take from the decision to terminate a civil service employee until the actual termination takes place?

Once the final decision to terminate an employee is made, the process is very swift. It normally takes one to two days. Before the final decision, the department consults with the Personnel and Law departments.

- d. What obstacles confront managers in terminating employees?

Establishing consistency within departments and across the City can be an obstacle confronting managers who have made the decision to terminate an employee. Terminations are taken very seriously in the City, especially in a culture that promotes and fosters individual improvement. Managers must learn the balance between the employees' rights and the organization's needs. As stated earlier, we have several classes geared toward improving our managers' ability to recognize and respond to inappropriate acts in the workplace. In addition, we provide all employees multiple avenues for improving themselves (through training classes) and getting the help they need for resolving personal issues before they escalate (Employee Assistance Programs).

- e. What kinds of challenges or problems, if any, is Phoenix experiencing because of the structure of Phoenix's termination system?

A constant challenge for the City is overcoming the scrutiny of employee unions during any stage of the disciplinary and termination processes. Challenges may be avoided through careful review of each termination by the Law, Personnel, and operating departments.

- f. Please identify any changes or new approaches to correcting poor performance that Phoenix has recently undertaken.

The City's performance management system was revised to enhance communication between employees and their supervisors. The emphasis on communication is intended for supervisors to learn how to clearly express their expectations throughout the process and to identify potential problems. Having expressed their expectations to employees, supervisors should recognize when employees are not meeting those expectations. Supervisors then have the ability to discuss unmet expectations with their employees as soon as they occur to help prevent any future problems.

13. Please describe how training is conducted in Phoenix. For example, discuss the following:

Employee Development offers City of Phoenix employees development opportunities through catalog classes, Citywide training, and department-specific requests. Major Citywide efforts in ethics, seamless service, and the transition to a new performance management system account for the increase in participation in 1997-98. A breakdown of attendance and satisfaction level for last year in these three areas of training shows:

Area of Training	Fiscal Year 1996-97	Fiscal Year 1997-98	Satisfaction Level, with 10 as top score
Catalog Classes	4,839	6,141	9.4
Citywide Programs	5,547	8,328	9.3
Department-Specific	1,416	1,289	9.6
TOTALS	11,802	15,758	9.4

- a. What training is available Citywide for all employees?

There are three categories of training offered to employees: citywide, department specific, and catalog classes.

1. Citywide Programs - Training is provided to all employees in programs considered essential for the City. In these cases, all employees are required to attend training.

New Employee Orientation - Presently, new employee orientation is divided into two parts. During the first half of the day, employees receive information on medical, dental, and life insurance benefits, deferred compensation programs, Flexible Reimbursement Accounts, childcare program, and ways to access City funds for dependent care needs. During the second half of the day, employees learn about their new organization—the City departments and officials, ethics, seamless service, environmental issues, bus cards, labor relations, and union participation. Beginning in Fall 1999, the information during the first half of the day will be covered in a computer-based format and New Employee Orientation will be devoted to Seamless Service and learning the City organization. It should be noted that the unions have an informational role in this program (Attachment HR - M).

Ethics - The City of Phoenix has had an ethics or integrity training program since the early 1970s. Ethics training is provided to every full-time, part-time, and temporary employee in the City and is part of the New Employee Orientation program. The training is case-study based and members of department management teams co-facilitate the ethics training with Personnel staff. Case studies were written specifically for each department so that questions and issues could be addressed (Attachments HR – N, HR – O, and HR - P).

Customer Service Training - The City of Phoenix has stressed the importance of good customer service for many years. Preceding the Seamless Service program (below), the City implemented a five-phase customer service effort that included:

- Vision and Values of good customer service for top management in which department management teams determined service expectations and formulated customer service plans.
- Systems and Structures, in which employee teams identified barriers to good customer service and formulated recommendations for change.
- Action Planning, in which the Vision and Values and Systems and Structure teams met to formulate specific plans for implementation of recommended changes.
- Building Customer Skills, employees review customer service skills
- Follow up, each year the implementation plans were checked and additional recommendations made (Attachments HR – Q and HR - R).

Seamless Service Training - This program was initiated in 1998 and is chaired by the City Manager. Over 20 departments developed methods for providing better service to our citizens. These methods included:

- Training employees to handle citizen telephone requests more effectively.
- Adopting a citywide standardized approach for transferring citizen calls.
- Giving citizens the option to reach a person rather than leave a voice mail message.
- Making the telephone directory easier to use and putting it on-line with search capabilities.
- Continuing and improving access to provide Spanish-speaking contacts.

Goals of the program are to make it easier for citizens to get service from the City, to get to the right department the first time, and avoid unnecessary transfers. To support the program, the City developed training for telephone service and for direct contact service. In addition, we implemented the following procedures to support the Seamless Customer Service effort:

- Incorporated seamless customer service expectations into all job descriptions and job announcements.
- Added seamless customer service expectations to every employee's performance evaluation and incorporated these expectations into performance management training for employees, supervisors, and managers.
- Added a category for seamless customer service to the City of Phoenix Employee Excellence Awards (Attachment HR - S).

Performance Management - The City of Phoenix is changing its performance management system from a report-card system of evaluation to an "expectations met" or "not met" system. The need for the change was identified through the Employee Opinion Survey in which employees indicated low satisfaction with the report-card (Employee Performance Appraisal Rating) performance evaluation form. Focus groups were conducted with various groups of employees to establish specific dissatisfaction areas and to gain recommendations for an altered system. The transition plan includes training for supervisors and information sessions for employees. As departments move to the new format, satisfaction measures are kept to gauge the success of the new form. In addition, training is provided in the Supervisory Core Curriculum for all supervisors, managers serving in review roles, and employees.

2. Department specific or department requested training - The Personnel Department trainers are assigned to departments as internal consultants. These trainers attend department management meetings and, with the management team, determine specific interventions for the department. Such interventions as training, facilitation, mediation, department retreats, and one-on-one employee and supervisory mentoring sessions have been provided. Trainers also spend time in the departments becoming familiar with the job functions in their assigned departments.
3. Catalog classes - In addition to the Citywide and department specific training, the City offers multiple classes in the following areas:

Career Development
Computer Training
Financial Management
General Development
Management Development
Office and Secretarial Development
Pre-Retirement Program
Pre-Supervisory Development
Quality and Productivity
Safety Training
Supervisory Development
Workplace Development and Literacy
Workplace Wellness
(Attachments HR - T and HR - U)

- b. Are records maintained for each individual employee on who is trained in what? If so, are these records maintained centrally or at the agency level?

Currently, training records are maintained for each employee within the departments. Early in 1999, training registration was integrated into the human resource information system (CHRIS). Initially the information is accessible only to the department, but will eventually be accessible for both the department and the central personnel training function. This information will include all internal training, as well as outside workshops and seminars.

- c. Are opportunities for outside training encouraged (e.g., tuition reimbursement programs)?

The City provides tuition reimbursement to each full-time City employee after the employee has been with the City for one year. For fiscal year 1998-99, the reimbursement amount is \$2,088. This amount is based upon two semesters of full-time credit at Arizona State University (Attachment HR - V). In addition, as much as \$650 is available for workshops and seminars.

- d. In what ways are employees rewarded for getting more training?

Training is frequently part of an employee's goals for the performance appraisal system. Supervisors are encouraged to help the employee identify training opportunities that will improve productivity. For some positions, special certifications are necessary and an employee can advance based upon the level of certification earned.

The City of Phoenix is a large organization with many opportunities for transfer and promotion. An employee may be motivated to learn new skills for another position within the City.

Certificates are awarded for all classes, with special certificates for continuing classes such as the Supervisory Academy. For some employees, these certifications are motivational and are often seen posted on walls of offices and work areas throughout the City.

Employees may opt to receive college credit for some of the Employee Development classes. We partner with Maricopa Community Colleges and Arizona State University for these class credit options. Employees are rewarded with college credit that may be used toward a degree.

Self-satisfaction for the completion of a training class also should be considered. The training classes are interactive and in demand. Almost every class in the catalog has a waiting list. Employees may self-select development opportunities that fit with their professional and personal needs.

Phoenix recognizes that a physically and mentally healthy employee is more productive. With this aim in mind, classes in the Workplace Wellness section of the Employee Development catalog offer employees an opportunity to learn ways to reduce stress, lose weight, stop smoking, and manage the care of children and parents. The completion of these classes may be, in their own right, rewarding to the employee.

- e. What kinds of challenges or problems, if any, is Phoenix experiencing because of the structure of Phoenix's training system?

Employee demand for all of our classes is a challenge for the system. With increased demand for training and alternate delivery methods now available, Phoenix is exploring different ways to provide quality training to its workforce, such as distance learning.

Phoenix, like most training units, is searching for ways to better identify and measure core competencies. While the training itself is important, the employees' use of the skills learned in the training is the real test of our programs. We would like to find a way to better ensure that our training programs add to the development of the employee as well as the development of the City.

- f. Please identify any changes or new approaches to training that Phoenix has recently undertaken.

The Seamless Service Program is a new addition to the training curriculum. It supports the citywide effort to provide "seamless" service to all customers, and emphasizes one-stop shopping and employee ownership of customer issues and questions. All employees receive training geared toward the type of contact they will have with the public (i.e., telephone, direct, etc.). For additional information, see 13(a).

The City can no longer assume that employees entering the workforce have fundamental math and language skills. As a result, we provide employees with a variety of basic skills classes. For those employees with profound skill deficiencies, we formed a partnership with Literacy Volunteers to assess reading and mathematics skills of employees and place them in appropriate classes during City work time. This is a confidential program that is flexible and geared to the adult learner. (For more information see question 16).

The Training and Development Catalog is the driving force behind class enrollments. To improve access, the catalogs are available to users on the Intranet. Employees can use the Intranet to identify training opportunities and to print copies of the Training Program Enrollment and the Reimbursement Request Forms. In addition, by June 1999, we will have implemented and evaluated the first complete course offered through the Intranet.

Although the pre-retirement programs are not new, we reinvented the classes to better address the needs of a wider range of age groups. The City offers three levels of workshops to help employees make sound retirement plans, and spouses are welcome to attend with the employee:

- **Successful Retirement Planning**—This class is for employees in the 36-54 age group or any employee who wants to plan early for a successful, secure retirement. Topics include setting financial goals and objectives, financial statements, life insurance, mortgages, deferred compensation, portfolio planning, types of risk, ownership, IRAs, City retirement programs, wills, trusts, living wills, and power of attorney.
- **Planning Your Tomorrows**—A two-day program for employees in the 55 and older age group who plan to retire within the next five years. Topics include the City retirement program, Social Security, financial planning, deferred compensation (including withdrawal plans), legal issues, taxes, health information, and facts about personal security during retirement.
- **Choices and Decisions**—This one-day program is for employees retiring within the year and addresses the City retirement program and retiree benefits. Detailed information is provided on financial decisions to be made, deferred compensation distribution, and medical and dental issues. A review of Social Security is also provided. Employees have an opportunity to review all the necessary forms and procedures required for retirement.

14. Please describe Phoenix's reward policies and procedures. For example, discuss the following:

- a. Please describe what monetary remuneration Phoenix offers for superior performance? Does this system apply throughout Phoenix government?

Phoenix has a significant number of methods for rewarding employees. They consist of :

- assignment-based pay for higher level skills
- skill-based pay for specific skill sets and certifications
- special merit increases for obtaining special certifications and superior performance
- lump sum bonuses for management employees
- premium pay for exempt employees performing above and beyond the normal work commitment
- skill-based pay for Police Officers
- safety awards
- pay-by-objectives for management positions
- special incentive pay for voluntary participants in reengineering efforts
- employee suggestion awards up to \$3,500

- b. In what other ways does Phoenix reward superior performance? How often is each type of reward used?

Now in its 19th year, the City's annual Employee Excellence Awards program recognizes outstanding employee performance. This is a program that recognizes the best of the best. Once a year, employees, supervisors, and managers nominate individual employees and teams for this award (Attachments HR – W and X). Nominations are made using the following criteria:

- Continued and repeated excellence in overall job performance that exceeded job requirements and achieved outstanding results.
- Solved an extraordinary problem or achieved a significantly difficult goal.
- Successfully implemented an innovative idea in which outstanding results were identified.
- Achieved an outstanding act that brought recognition to the City from the public.
- Provided exceptional support to a City department, division, project group, or individual.
- Supported the Seamless Service mission by working together to provide the best possible service to citizens and guests of the City.

Winners are determined by a committee of 13 employees from various levels of the organization. The Mayor and City Manager host the celebration every year. Over the past five years, the number of teams and the number of multidepartmental teams participating have increased. This year, six individuals and fifteen teams were honored. Employees receive an award and an 8-by-10-inch photograph of the individual or group with the Mayor and City Manager (Attachment HR – Y).

In addition, each City department has found its own unique way to reward and recognize employees for their hard work and dedication. Many departments have employee recognition committees to develop recognition programs (Attachment HR - Z, HR - AA, and HR - AB).

- c. To what extent are job and time flexibility used in Phoenix?

Department heads and division heads may allow up to one full shift of paid leave to an employee in recognition of exceptional work. This is commonly referred to as Performance Achievement or “smile time.”

With home and traffic demands on employees, the City uses a variety of flexible work schedules, including: staggered hours (coming in earlier to leave earlier), 9/80 work schedule (working 80 hours in 9 days instead of 10 days), 4/10 workweeks (working 40 hours in 4 days instead of 5), and telecommuting. Employees may use these schedules as their department allows and with consideration for maintaining the highest level of customer service.

- d. What kinds of challenges or problems, if any, is Phoenix experiencing because of the structure of Phoenix’s reward system?

As in any reward system, it is difficult to define rewards and recognition programs that meet the needs of all City of Phoenix employees. Supervisors explore a variety of avenues for employee recognition through modules in the Supervisory Core Curriculum. At times, supervisors do not take advantage of the multitude of ways employees can be recognized. Sometimes supervisors only consider the larger programs and forget that the most important component of recognition comes from the day-to-day interaction within the work unit.

Building the time into each leader’s day to provide recognition can be another problem. The Employee Development Division of Personnel, through our internal consulting, training, and citywide focus, helps executives, managers, and supervisors understand that recognition is part of their job. We also suggest easy ways to use recognition systems. As mentioned earlier, departmental recognition committees driven by employees often develop incentive and reward programs that are meaningful for their particular department.

- e. Please identify any changes or new approaches to rewards that Phoenix has recently undertaken.

Every other year, for the last three years, the City has hosted a “Vision and Values” celebration recognizing the work of all departments in furthering the ideals of the City. This celebration is used to honor employees and departments, as well as inform employees about other departments’ functions. All City employees are invited by the City Manager to attend the celebration. Employees work within their departments to “sign up” for specific time periods to go to the celebration, thereby allowing all employees to go without sacrificing customer service (Attachment HR – AC).

In addition, the Personnel Department developed a video to help supervisors and employees plan better reward systems. The video highlights creative recognition programs throughout the City (Attachment HR - AD).

15. Please describe what training is provided to managers in Phoenix about Phoenix’s recruiting, testing, hiring, performance appraisal, disciplinary, grievance, termination, and reward policies and procedures.

All City of Phoenix supervisors are required to attend the Supervisory Core Curriculum (Attachment HR – AE). This program includes hands-on practice in the City’s recruiting, testing, hiring, performance management, disciplinary, grievance, termination, and reward policies and procedures. Focus groups are conducted each year with supervisors who completed the program, as well as with the supervisors of the attendees, to evaluate the effectiveness of the program and to improve it. The program includes:

- 1-½ days in **Performance Management** in which the supervisors practice writing goals and objectives, explore coaching and mentoring techniques, complete the City’s forms, write supervisory comments, and hold practice discussions for performance improvements and awarding of good performance.
- 3 days in **Supervisory Personnel Practices**, in which supervisors explore the legal aspects and City procedures for recruiting, testing, hiring, discipline, grievance, termination, safety, and developmental opportunities for employees (Attachment HR – AF).
- 2 days in **Interaction Management** in which supervisors practice effective communication skills for conducting one-on-one employee/supervisor discussions, including discussions in which minor improvements are made - up to and including dismissal.
- 10-day **Supervisory Academy** in which supervisors take a “step up” to management by broadening practical skills in leadership, diversity, meeting planning, delegation, gender communication, team leadership, and conflict management.

Managers are provided ongoing development opportunities through:

- One-on-one coaching for the development of his or her own Performance Appraisal Plan
- The Management Academy, which is an eight-day program spread over eight weeks that focuses on City of Phoenix operations as well as the latest theory in management. The City Manager, Assistant City Manager, Deputy City Managers, and Department Heads frequently facilitate specific units of this program. The involvement of higher level management sends a valuable message to managers that they play an important role in the City. The program is supplemented with outside training consultants and public sector officials from other agencies (Attachments HR – AG and HR - AH).
- Every six months, at least three lunch or breakfast workshops are provided for managers and executives. These sessions focus on current management development techniques and provide hands-on practice and application planning.

Participants evaluate these programs at the end of each class or workshop and focus groups provide input.

16. If Phoenix is undergoing or has recently completed any reform or change efforts in its human resources policies and procedures, how has the success of these efforts been evaluated? Please summarize the reforms and any findings.

To become more “family friendly” the City instituted flexible work schedule options [see 14(c)], a job share program, and additional family health benefits, including child care and elder care. The job share program allows two people to “split” a job and related benefits. Each employee receives half of the salary and half of the benefits provided by the particular classification. The child and elder care options include: an in-home sick child care program; financial aid for child care; and “elder care connection,” a service including referrals, in-home assessments, care management, and transition management (Attachments HR – AI, HR - AJ, and HR - AK).

In 1998, the City of Phoenix was recognized by *Workforce* magazine and was selected as one of the 10 recipients of the Optimas Award. The awards are given yearly by *Workforce* to recognize outstanding achievements in human resources management. The City of Phoenix was recognized in the Quality of Life category for taking a proactive approach to quality of life programs for employees and their families (Attachment HR – AL).

The City of Phoenix Education and Workplace Development Program began as a pilot in the Public Works Department in response to a Citywide training needs analysis that revealed that many long-term employees were not promotable because of their lack of basic skills. Current estimates state that as many as 22% of adults in the United States cannot function at the sixth-grade level in reading, writing, and math skills (Attachments HR – AM and HR - AN).

One way the City overcame these issues was through the introduction of basic skills training. Literacy Volunteers of Maricopa County (LVMC) was selected to provide the facilities and expertise to meet the City's diverse needs. Employees indicating an interest in the program are assessed in the areas of reading, writing, and math to determine their baseline skill levels. On City time, these employees attend classes twice a week for 20 weeks, in two-hour blocks of time. Often it is possible to schedule employees for the two-hour block at the beginning or end of their shift to minimize work disruptions. The instruction entails one-on-one tutoring, classroom activities, and computer based tutorials.

Several key elements have shaped the program and enhanced its success:

- Commitment-- Support has grown from all levels of the organization, from the City Manager to the first-line supervisors.
- Funding--The Employee Development Division of the Personnel Department provides funding for assessment, instruction, textbooks, and instructors. Compared to other employee training programs, the cost of the Literacy Program has continued to be an incredible bargain, averaging about \$2.25 per employee contact hour.
- Confidentiality--The employee's grade level, assessment scores, and progress is kept confidential; known only to the employee, LVMC, and the program coordinator at Employee Development.
- Voluntary--The program thrives on self-enrollment; no employee is forced to participate.
- Customized--As a result of individual assessments, classes are designed to meet the particular skill level of each employee enrolled. Fellow students come from both the City and other organizations in Maricopa County.
- City time--Briefing sessions, assessment, and classes are all conducted on City time. This practice reinforces the City's message that this program is meaningful and worthwhile.

How does the City of Phoenix measure the success of the Literacy Program? Pre- and post-assessment comparisons and feedback from tutors are provided from LVMC. Supervisors are asked for feedback after the employee has participated in the program. Focus groups of current and past participants are conducted every two years to discuss what works well and what needs to be improved. Most inspirational though, are the success stories written by the employees themselves and posted at the Literacy Volunteers facilities. They report on those intangible measures of success: growth in self-esteem, confidence, job skills, job performance, and daily survival skills. Some of the most touching accounts relate how an employee is now able to read stories to his/her children or help them with their homework for the first time.

17. Please answer the following questions about downsizing in Phoenix:

- a. Has there been a decrease in Phoenix's workforce? Over what period? Why? (For example, was a formal, specific downsizing effort undertaken?)

There have been three decreases in our workforce in the last decade.

The first was the result of an economic downturn from 1989-93, which affected the City's sales tax revenues.

The second is part of the recent Water Services Reengineering effort. The Water Services Reengineering effort is a model program involving a joint Labor-Management process funded under a Federal Mediation and Conciliation Grant. This process is based upon consensus building and is jointly chaired by the department head and union vice president. Joint Labor-Management reengineering teams assure a bottom-up look at every process, which includes multi-skilled training programs, position allocation, transition planning, transition incentives, pilot programs and team selection, skill-based pay, and pilot program team pay. This program for optimizing both quality and best practices is designed to make our water and wastewater utility so effective and efficient as to be "takeover-proof." This form of managed competition based upon employee-driven initiatives, Labor-Management cooperation, and line and staff department cooperation, also demonstrates a highly motivated commitment to strategic business partnering (Attachment HR – AO).

The last area involves the period loss of bids for refuse collection. Since 1979, the City has used a Public/Private competitive proposal process as a method for delivering services in a cost-effective manner. Private contractors have competed with City departments in 13 service areas. In some cases, Phoenix successfully competed and won the right to provide the service. In other cases, the private sector was awarded service. Since 1979, the City has saved more than \$33 million through this process; \$20 million has been saved in refuse collection.

The City has been divided into several districts for refuse collection. The districts are bid on a seven-year cycle. When the City is not successful on a particular bid, workforce reductions follow. Generally, layoffs are avoided through the methods discussed in (c) below.

- b. How did Phoenix decide which employees to cut?

In general, as a part of the City's budget process, individual departments determine which programs and position eliminations will have the least impact. They submit recommendations for review to the City's Budget and Research Department, City Manager's Office, and City Council. Public hearings are conducted for citizen input, and final adoption of the City's budget determines the cuts to be made.

Employees within classifications identified for cuts are ranked by seniority in class and position. Recall tests are established, guaranteeing laid-off employees the first positions available. The City has prided itself on minimizing layoffs by providing training and opportunities for employees to move into vacant positions.

As part of the Water Services Reengineering efforts, vacant positions are filled only after careful review to determine need in the newly reengineered Water and Wastewater processing system. Efforts in Public Works are similar to the reengineering efforts of filling vacant positions.

- c. What techniques are in use for reducing the size of Phoenix's workforce (for example, buyouts, outplacement assistance, retraining)?

The City went through difficult financial times in 1992 and had to reduce the workforce. The process developed at that time has been used as a model whenever reductions were necessary, through reengineering or public/private competition. A City cross-departmental team presented a variety of solutions to minimize reductions in the workforce, such as holding vacancies, voluntary furloughs to save jobs, and retraining threatened employees to fill the vacancies. In addition, the City created an early retirement opportunity, and worked with supervisors to help support those employees leaving their divisions and assisted other supervisors in welcoming displaced employees.

The City Manager is also authorized to provide severance packages as approved by the City Council during reductions in force. Past reductions have included packages providing for cash incentives for those eligible to retire, outplacement assistance, transfer of employees with necessary training to vacant positions, Employee Assistance Program referrals, financial counseling, and training on preparation of resumes.

In addition, information sessions were conducted with all employees on why the cutback was necessary. The City Manager chaired these meetings and they were conducted at various locations throughout the City. Once it was determined which jobs would be impacted, information sessions were conducted employees involved. Department heads and Personnel Department staff chaired these meetings. Honest, open communication was practiced Citywide (Attachment HR – AP).

Other available training included:

- Supervisory training
 - How to manage the work unit during the cutback period
 - Ways to help employees vent
 - Activities to help employees who would be leaving the work unit
 - Activities to help welcome employees who would transfer to the work unit
 - Suggested scripts for discussions with leaving employees, arriving employees, and employees who were not directly affected in the cutback.
 - A list of Do's and Don'ts
 - A telephone hotline so questions could be answered quickly and correctly
 - On-the-job training techniques for supervisors
 - Techniques for dealing with change
 - Working with survivors of the cuts
 - "Business-as-unusual" training – what to do as a leader in a cutback period
- Employee interventions
 - Frequent information sessions
 - Techniques to communicate with family, fellow employees, friends
 - Outplacement training, including resume writing and printing
 - A telephone hotline so questions could be answered quickly and correctly
 - Ways to prepare for other City jobs

On-the-job training requirements and techniques
Stress management
Ways to deal with creditors
Housing financial advice
Department of Economic Security briefings and unemployment
compensation forms and information
Ways to deal with change and how to help family members deal with the change

18. Please answer the following questions about the role of workforce planning in Phoenix's personnel management. (By "workforce planning" we mean a strategy and set of procedures by which Phoenix's future personnel needs are assessed. This might involve activities such as determining whether the labor market will be able to supply these future needs, whether the current workforce has the requisite skills to meet these needs, and, if not, what provisions for recruiting and training employees are necessary.)

- a. Has such a formal plan been implemented in Phoenix? Does Phoenix have informal plans? Are plans prepared Citywide, at the agency level, or both?

The Personnel Department and operating departments meet each spring to develop annual forecasting plans. The departments identify upcoming retirements, vacancies, newly budgeted supplemental positions, and reorganizational needs. Personnel provides a forecast plan (list of classifications) based on when existing eligible lists expire. Together a recruitment plan is developed for the upcoming fiscal year. The City of Phoenix received a Public Technology Inc., (PTI) Award in 1989 for this program.

To address succession problems arising from retirements, we implemented the 360-degree evaluation process in Personnel. All supervisors were offered the opportunity to use this survey instrument which solicited input from peers, subordinates, customers, and bosses. The feedback was combined with mentoring sessions to help staff develop management skills (Attachment HR – AQ).

- b. How long have these plans been in place? How often are they updated?

Annual forecasting started in 1984 and is updated each spring.

- c. Please describe Phoenix-wide and agency-level planning processes, as appropriate. In particular, identify which employees the plans cover, explain which human resources activities are included in the plans, and describe the impact of planning efforts on human resources management and on Phoenix government overall.

The annual forecasting plan covers all employees and human resource activities such as recruitment, retirement, and overall staffing needs. This planning process allows us to determine future needs and plan accordingly, which in turn allows us to keep our vacancy rate low (5-6%) and maintain high service levels.

In addition, we conduct salary surveys to identify how Phoenix salaries compare in the local marketplace and with cities of like size (Attachments HR – AR and HR – AS).

- d. Does Phoenix have the information it needs about its workforce in order to plan effectively? In particular, what data does Phoenix gather that allows it to anticipate its needs?

The City of Phoenix's human resources/payroll system (known as CHRIS, for City Human Resources Information System) provides immediate access to meaningful and accurate information about employees and easily automates and adapts human resources tasks and business processes. With CHRIS, Phoenix identifies position requirements, finds the right people for positions, and tracks their professional progress. CHRIS provides complete support for our human resources needs, including personnel administration, position management, training administration, salary administration, health and safety, regulatory reporting, and benefits. The system is fully integrated so all employee information is immediately accessible. CHRIS automates record-keeping and routine tasks, freeing employees from repetitive processes and tedious data entry. Past, present, and projected information is retained and automatically applied to City specifications. CHRIS generates easy-to-read reports using standard or customized templates supporting improved forecasting and analysis. CHRIS creates "what-if" and "point-in-time" scenarios using effective-date information.

This data is available in a variety of ways. On-line access to the system is available throughout the enterprise, which allows remote users to run reports for their specific needs as necessary. Hundreds of standardized reports are generated both centrally and locally as needed. In addition, a number of ad hoc and more formal query tools are available and used on a regular basis.

- e. To what extent is Phoenix able to meet its workforce needs? Please explain the reasons why any needs are unmet.

The City is in excellent shape to meet our workforce needs. Even during periods of low unemployment rates (currently at 3%), we are considered a desirable place to work. Our turnover rate is low (5.63%), and employee satisfaction is extremely high. The 1998 Employee Opinion Survey showed that 97% of employees think the City is a good place to work and 93% said they would recommend City employment to friends and neighbors who are interested. We attracted more than 16,714 applicants for City positions last year.

As with most employers across the country, we are challenged by the scarcity of quality Information Technology professionals. To date, we have been able to meet our staffing needs by offering 10% premium pay for specialty skills, offering starting salaries anywhere within the salary range, using employee search agencies, permitting in-range movement, and flexibility in classification evaluations.

19. Please describe how position classification and compensation are linked in Phoenix.

- a. How many classified titles are there in Phoenix's personnel structure?

Phoenix has 902 classifications covering approximately 12,000 positions.

- b. How many pay grades/steps are there in Phoenix's personnel structure?

We have 10 pay and benefit packages for different employee groups. Each package has an average of 22 pay grades that vary from 40-85% in width. Those with steps (as opposed to open ranges) have between 5 and 8 steps.

- c. How do people move between pay grades?

Employees move within a grade based on a combination of skill, performance, and time in grade, in association with their performance management agreements. They move between pay grades based on both noncompetitive and competitive promotional processes. Employees also move between pay grades based on work assignments.

- d. How does bumping work?

Employee seniority is determined by time in class. Length of creditable time served in a higher class may be combined with creditable time served by the same employee in a lower class. An employee whose seniority is the lowest in the class would “bump back” in the next lower class in which the employee has served. This continues until such time as a “placement” can be made or the lowest seniority employee in the chain of classifications is laid off.

- e. What compensation systems does Phoenix use (such as a graded system, a market-based system, a pay banding system)?

The City’s system is a combination of a point-factor, market analysis, and broadbanding system.

- f. Which employees do these cover?

All positions.

- g. Does Phoenix perceive any problems in the structure of pay and/or classification system that should be changed? Please describe any plans for reform of structure.

Maintaining Phoenix’s position as a third quartile employer (more competitive than 75% of our competitors) is always a challenge. However, because of our employer-based contributions to Deferred Compensation Plans of as much as 8% of pay and our excellent employee development programs, including a flexible management and development program of as much as \$2,088/year and full tuition reimbursement program, we are able to attract exceptional performers.

20. Please answer the following questions about labor-management relations:

- a. What percentage of Phoenix’s workforce is covered by collective bargaining agreements?

8,273 employees = 69%.

- b. Please identify the union(s) that cover the majority of the employees in Phoenix.

Unit I, LIUPE, Local 1297, represents 1,101 employees
Unit II, AFSCME, Local 2384, represents 1,649 employees
Unit III, AFSCME, Local 2960, represents 2,249 employees
Unit IV, PLEA, represents 2,122 employees
Unit V, IAFF, Local 493, represents 1,152 employees

- c. Please describe the nature of the relationship between labor and management and provide examples to support this description.

We have positive, ongoing relations with all employee unions based on mutual respect and open communications (Attachment HR – AT). Examples of these relationships include:

- Annual Labor/Management retreats with the two sworn unions (Police & Fire), where 10 – 15 union representatives and 10 – 15 management representatives meet to discuss issues/concerns and develop working solutions and outreach plans for the future.
- Participative Association of Labor and Management (PALM), which is a cooperative venture between labor and management to reengineer the Water Services Department [17(a)]
- Collective bargaining, which has allowed the City to resolve impasses without a fact-finder for the last 11 years.
- No job actions or strikes by any of the City labor unions.
- Joint training on labor relations with City and union trainers.
- Ongoing labor-management meetings to resolve issues before they become a problem are conducted monthly or quarterly with all five unions.
- Inclusion of union in City service surveys.

- d. Please describe any innovative initiatives Phoenix is undertaking with respect to labor/management relations.

The City conducts numerous Labor/Management Retreats with departments and union representatives to address issues, enhance communication and participation efforts, and assist in preparation for future contract negotiations.

Another innovative initiative is the Participative Association of Labor and Management (PALM) for Water Services Reengineering. This cooperative approach has allowed the City to increase services, decrease costs, and maintain high expectations and standards for providing quality services. This program for optimizing both quality and best practices is designed to make our water and wastewater utility so effective and efficient as to be “takeover proof.” This form of managed competition based upon employee-driven initiatives, Labor-Management cooperation, and line and staff department cooperation, also demonstrates a highly motivated commitment to strategic business partnering.

Representatives from labor and management are working together in the Linguistics Skills Task Force to look at language skill needs in the City. This issue is important for providing the highest quality of service to all of our customers.

- 21. Please describe any information technology systems Phoenix uses for human resources management. How old are these systems? What do they do? How well do they support human resources management? (For example, do the available information technology systems do a good job of supporting the timely and accurate acquisition, use, and reporting of personnel data?)**

The City of Phoenix’s human resources/payroll system (known as CHRIS, for City Human Resources Information System) is a state-of-the-art client-server system, newly implemented in the City, featuring an integrated database of all human resources/payroll data needs. The City has implemented the PeopleSoft suite of HRMS products, including HR, Benefits Administration, Payroll, Training Administration, Health & Safety, and Flexible Spending Accounts. We are in the tail end of a multiphase implementation, beginning with HR and Benefits Administration in December 1996, Payroll in March 1998, and Training Administration in November 1998. Health and Safety and Flexible Spending Accounts are scheduled to be implemented by November 1999.

The application is served by a pair of Hewlett Packard UNIX machines and distributed via the City's Wide Area Network. Every operating department in the City has on-line access to the application. Data entry for personnel actions, such as new hires, promotions, transfers, terminations, etc., is performed at the point where the data is gathered. Centralized data entry is available for high-volume processes such as leave slips and time sheets.

We upgraded to PeopleSoft release 7.0 in November 1998 and are planning some minor updates to carry us into the year 2000.

22. Do mechanisms exist through which employees can make suggestions to the management regarding management practices and procedures? If so, how often are these mechanisms recognized and utilized? In particular, does Phoenix use either of the following:

- a. A formal employee suggestion program? If so, how long has this program been in place? How many suggestions are submitted per year? What rewards are available? Please provide examples of suggestions that were implemented.

The City of Phoenix Employee Suggestion Program was created more than 25 years ago as a mechanism for employees to submit ideas aimed at improving City operations and services. The program was one of the first of its kind and has received several awards for tangible savings to the City. Annual savings have been as high as \$7 million in addition to intangible savings from productivity and efficiency improvements.

City of Phoenix employees submit an average of 400 improvement suggestions a year, which promote cost savings or measurable improvements in productivity, product quality, employee morale, and safety. Employees are recognized each month for their implemented suggestions and each employee receives a monetary award or a plaque for their idea. Awards range from a recognition plaque to a monetary award of between \$50 and \$3,500 (Attachments HR – AU and AV).

Examples of suggestions include:

- Research by an Aviation employee paid off with a cost savings \$166,719 for the replacement of air conditioning filters.
- A Public Works employee's suggestion of installing energy-saving, high-pressure sodium lamps at service centers saved the City \$17,150.
- A team of employees suggested modifying pool ladders to reduce maintenance and to extend the life of the ladders, resulting in a \$30,045 savings to the City.
- A savings of \$5,750 was achieved by the development of a new process to handle and track weapons confiscated by the Police Department.
- A Street Transportation employee teamed with one of the City's service organizations to improve customer service to our citizens by finding a way for sidewalk repairs to be done at no cost to the citizens.
- For an added cost of \$0.03 per repair order, a system was implemented to save time and energy in assuring that all City vehicles complete the required emissions check on time.
- A team of employees implemented an on-line Internet system that provides documents and forms for the processing of utility construction permits.
- A Water Services employee's suggestion for installing safety coverings prevents pressurized connections from spraying hazardous chemicals.
- A key machine was installed in the Public Works Auto Store, resulting in improved customer service.

In the City's effort to continue to enhance customer service, the City Auditor Department conducted a benchmarking study to look at "cutting edge" methods used by public and private industry in administering a suggestion program. In addition, focus groups were conducted with users of the program to determine which parts of the program users liked most.

- b. Formal employee surveys? If so, how long have these been in use and how frequently are they conducted?

The City of Phoenix has conducted formal employee opinion surveys of the full-time workforce since 1978. Surveys were conducted in 1978, 1980, 1982, 1986, 1993, and 1997. Approximately 47% of the employees responded in the 1997 survey. While the most recent survey was "sponsored" by the Personnel, City Auditor, and Public Information departments, employee organizations have participated in each survey task force (Attachment HR – AW).

Major topics covered by the surveys include: the City as an Employer, My Job, My Work Group, My Supervisor, Work Environment, and Communications. Approximately half of the survey items have historical comparative data, some dating back to 1978. The City Manager shares the results with department heads, employee organizations, and all employees. Over the years, survey results have initiated changes to the performance management system and employee newsletter, increased training programs, and led to the development of the "Managing Your Career" program.

23. In what ways does Phoenix measure the performance of its human resources management system in terms of outputs, outcomes, or efficiency?

The City has many resources for measuring the performance of our human resources management system. These resources include surveys of citizens and employees, specialized focus groups, customer suggestion/comment boxes, and statistics. The combination of these resources gives us a comprehensive view of how our system works.

One of the most important measures of the human resources management system is the Employee Opinion Survey, described in 22(b). The survey helps measure employee satisfaction with working conditions, pay, benefits, supervision, and other human resource systems. It also surfaces employee concerns about workplace issues so that improvements can be made.

Another important survey used by the City is the *Internal Customer Survey*. This is a survey of City employees measuring the performance of internal service providers. The survey rates several areas, including: courtesy and attitude, ability and competence, accuracy, value of service, timeliness, follow-up, seamless service (or prompt service), telephone etiquette, helpfulness, and cost of the service. A unique feature of the survey is the reporting of results. Each department receives a copy of its own ratings without comparison to other departments. This allows departments to focus on improving their own services without feeling the pressure of having to compete with other departments. The overview of the survey does show cumulative results for all departments, which indicate an improvement in all areas since the last survey and general satisfaction with internal service providers. The human resources systems showed a high degree of customer satisfaction (Attachment HR – AX).

The ultimate test of our internal systems is citizen satisfaction with City services. The City uses the *Community Attitude Survey* to assess the public's view of our City services as a whole. The survey has been conducted every other year since 1985. Results are used to focus on areas for improvement (Attachment HR – AY).

The Personnel Department also uses the CHRIS system to manage the Employee Development (training) Program. As part of the management of the program, Personnel seeks participant feedback after each course in the form of a class evaluation. The evaluation seeks input regarding customer satisfaction, effective use of time, trainer preparedness and trainer knowledge. The evaluation data is entered into CHRIS for statistical analysis. We use the data to make decisions on subject effectiveness, trainer abilities and overall program customer satisfaction.

Focus groups are used to evaluate the performance of specific functions. These focus groups are usually made up of employees from multiple departments with varying degrees of expertise in the topic. An excellent example of a focus group geared toward measuring outputs, outcomes, and efficiency, is the Management Academy focus group. This group is made up of employees who have gone through the program, supervisors of those programs, and trainers. The intent of the group is to look at the benefit of the Academy and ways to make the program better. The different groups involved in the focus group allow for an extensive critique of the program.

Another process used to measure performance on a daily basis is through a “How Are We Doing” suggestion box program. These boxes are located throughout the City, typically in areas with public contact or internal services. Any customer can fill out a card and drop it in the box to let us know his or her level of satisfaction with our services. Each month the cards are sorted by department and sent to the department director for review and possible action. This program provides departments with feedback that may be valuable for revising operating procedures or improving customer relations (Attachment HR – AZ).

In addition to the suggestion box program, we have annual surveys within the department for customer satisfaction. For example, the application office conducts a satisfaction survey of applicants to identify areas for improvement. Staff then use those suggestions to develop better customer services and incorporate that process into their Performance Management Guide (PMG).

Another means for measuring our performance is our monthly statistical report. This report tracks a variety of factors from the number of applications received, to employee benefit enrollment. The report provides output and outcome information, but also includes some important efficiency information, such as the cycle time for tuition reimbursements and recruitments and cost of Personnel services per employee. The report allows us to compare our current month data with the previous month, the same month the previous year, fiscal year to date, and last fiscal year.

24. Is there anything else you think we should know about Phoenix’s human resources management? (For example, please describe any major problems or challenges that Phoenix has identified in the area of human resources management.)

Meeting the expectations and needs of a diverse workforce is difficult when the workforce’s expectations and needs are constantly changing. We see a trend in the expectation of employees for a better work/life balance. This is evident in the increasing use of alternate work schedules and nontraditional benefit packages. The City of Phoenix realizes that employees are Phoenix’s most important asset, and Phoenix has built a supportive environment for its employees. The Personnel Department’s focus has been on quality of life benefits, which work during good times and bad, address whole-life needs, and are low cost (Attachment HR – BA).

Automation in the workplace is both a blessing and a challenge. While automation increases productivity and allows employees in remote locations to send and receive information quickly, it also creates the new challenge of training employees on new software and/or systems. An associated problem is retaining highly trained employees. As we train employees on cutting-edge systems, other organizations seek to recruit them. We have implemented “specialty skills premium pay” to help retain highly trained Information Technology employees. In return for premium pay (up to 10%), they agree to stay with the City for two years.

In a large organization such as Phoenix, communication remains a constant challenge. The Vision and Values Celebration and the City Connection, an employee newsletter, are tools that we use to help speed communication throughout the organization and build a sense of teamwork.

Thank you for your valuable assistance in providing this information.

PLEASE PROVIDE THE NAMES AND CONTACT TELEPHONE NUMBERS OF THOSE WHO COMPLETED THIS SECTION OF THE SURVEY AND WHOM CAN BE CONTACTED FOR INTERVIEWS ABOUT THE TOPICS COVERED BY THIS SURVEY?

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